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264 CMR 5.00: LICENSURE/CERTIFICATION REQUIREMENTS

Section

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5.01: General Requirements

264 CMR 5.01 does not apply to temporary licenses. Criteria for such levels of licensure are contained in 264 CMR 7.00.

- (1) All other applicants for licensure or certification must:
 - (a) demonstrate that he or she is of good moral character with a reputation for honesty, trustworthiness, and integrity;
 - (b) meet the requirements for the level of license or certificate for which he or she is applying, ~~as set forth in 264 CMR 5.01~~; and
 - (c) ~~effective January 1, 2015,~~ successfully undergo any background screening mandated meeting the criteria set out by the Appraiser Qualification Board (AQB) per federal law, 12 U.S.C. 3345(a).
- (2) Individuals applying for a license or certificate may be awarded primary education credit for primary education classroom hours previously credited in an application for a different level license or certificate.
- (3) Credit awarded in fulfilling continuing education renewal requirements may also be awarded to satisfy primary education requirements when an individual seeks a different level license or certificate than that held, providing the educational offering meets the criteria for primary education.
- (4) ~~Regardless of the date of application and if~~ In accordance with the Appraiser Qualification Board (AQB) mandates per federal law, 12 U.S.C. 3345(a), all ~~licensure or certification issued~~ applicants for licensure or certification, with the exception of licensure of appraisal trainees, on or after January 1, 2008, shall be subject to new and additional AQB requirements. It shall be the responsibility of each applicant to ensure compliance with any and all ~~AQB~~

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criteria published by the Appraisal Foundation in force and effect, including the AQB Real Property Appraiser Qualification Criteria and Interpretations pursuant to federal law, 12 U.S.C. 3345(a). ~~This criteria is published by the Appraisal Foundation.~~

5.02: Requirements For Real Estate Appraisal Trainee Licensure

Each applicant shall complete 75 classroom hours of primary education in real estate appraisal. All courses shall be approved by the Board and shall satisfy the education criteria set forth in 264 CMR 9.00: *Course Approval Requirements for Providers of Primary and Continuing Education* and 5.09 and the Core Curriculum adopted by the AQB per federal law, 12 U.S.C. 3345(a). Notwithstanding 264 CMR 5.08, all education must be completed within five years of the date of application for a real estate appraisal trainee license. ~~Effective January 1, 2015, a~~ Applicants must also complete a Board approved course regarding the requirements and responsibilities of trainees and supervisory appraisers which meets the criteria of the AQB per federal law, 12 U.S.C. 3345(a).

5.03: Requirements for State-Licensed Real Estate Appraisers

Each applicant shall:

- (1) Pass the Massachusetts Examination for State-Licensed Real Estate Appraisers or an equivalent examination approved by the Board, ~~within 2 years from the date of Board approval to take such examination;~~
- (2) Complete 150 classroom hours of primary education in real estate appraisal education. ~~All courses shall be approved by the Board and satisfy the Education Criteria set forth in 264 CMR 9.00 and 5.09 and the Core Curriculum adopted by the AQB per criteria specified by federal law, 12 U.S.C. 3345(a);~~
- ~~(3) For applicants taking the examination on or after January 1, 2015:~~
- (3) Hold an Associate's Degree or higher from an accredited college or university or must have successfully completed 30 semester hours of college-level education from an accredited college or university.;
- (4) Complete 2,000 hours of real estate appraisal experience over a minimum period of 24 months. ~~Experience must satisfy the Real Estate Appraisal Experience Criteria forth in 264 CMR 5.06; and,~~
- ~~(5) Meet the minimum AQB Real Property Appraiser Qualification Criteria and Interpretations as published by the Appraisal Foundation per criteria specified by federal law, 12 U.S.C. 3345(a).~~

5.04: Requirements for State-Certified Residential Real Estate Appraisers

Each applicant shall:

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- (1) Pass the Massachusetts Examination for State-Certified Real Estate Appraisers or an equivalent examination approved by the Board, ~~within 2 years from the date of Board approval to take such examination;~~
- (2) Complete 200 classroom hours of primary education in real estate appraisal; ~~All courses must be approved by the Board and satisfy the Education Criteria set forth in 264 CMR 9.00: Course Approval Requirements for Providers of Primary and Continuing Education, 5.09, and the Core Curriculum adopted by the AQB; and~~
- ~~(3) For applicants taking the examination prior to January 1, 2015 (complete applications meeting all other requirements of these regulations must be received by the Board at least 90 days prior to an examination date to ensure meeting this deadline): Hold an Associate's degree or higher from an accredited college or university or must have successfully passed all of the following collegiate level subject matter courses from an accredited college or university:~~
 - ~~(a) English composition;~~
 - ~~(b) Principles of Economics (Macro Economics);~~
 - ~~(c) Finance;~~
 - ~~(d) Algebra, Geometry, or higher mathematics;~~
 - ~~(e) Statistics;~~
 - ~~(f) Computer Science; and~~
 - ~~(g) Business or Real Estate law.~~
- ~~(4) For applicants taking the examination on or after January 1, 2015:~~
- (3) Hold a Bachelor's degree or higher from an accredited college or university; and
- (54) Complete 2,500 hours of real estate appraisal experience over a minimum of 24 months. ~~Experience must satisfy the Real Estate Appraisal Experience Criteria set forth in 264 CMR 5.06; and~~
- ~~(6) Meet the minimum AQB Real Property Appraiser Qualification Criteria and Interpretations as published by the Appraisal Foundation per criteria specified by federal law, 12 U.S.C. 3345(a).~~

5.05: Requirements for State-Certified General Real Estate Appraisers

Each applicant shall:

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- (1) Pass the Massachusetts Examination for State-Certified General Real Estate Appraisers or an equivalent examination approved by the Board ~~within 2 years from the date of Board approval to take such examination;~~
- (2) Complete 300 classroom hours of primary education in real estate appraisal, ~~All courses must be approved by the Board and satisfy the Education Criteria set forth in 264 CMR 5.09, and 9.00: Course Approval Requirements for Providers of Primary and Continuing Education, and the Core Curriculum adopted by the AQB;- and~~
- ~~(3) For applicants taking the examination prior to January 1, 2015 (complete applications meeting all other requirements of these regulations must be received by the Board at least 90 days prior to an examination date to ensure meeting this deadline): Hold a Bachelor's degree or higher from an accredited college or university or must have successfully passed all of the following collegiate level subject matter courses from an accredited college or university:~~
 - ~~(a) English Composition;~~
 - ~~(b) Micro Economics;~~
 - ~~(c) Macro Economics;~~
 - ~~(d) Finance;~~
 - ~~(e) Algebra, Geometry, or higher mathematics;~~
 - ~~(f) Statistics;~~
 - ~~(g) Computer Science;~~
 - ~~(h) Business or Real Estate Law; and~~
 - ~~(i) Two elective courses in accounting, geography, architecture, business management, or real estate.~~
- ~~(4) For applicants taking the examination on or after January 1, 2015:~~
- (3) Hold a Bachelor's degree or higher from an accredited college or university; and,
- ~~(54)~~ Complete 3,000 hours over a minimum period of at least 30 months of real estate appraisal experience. At least 50% of the experience must be non-residential appraisal experience. ~~Experience must satisfy the Real Estate Appraisal Experience Criteria set forth in 264 CMR 5.06; and,~~
- ~~(6) Meet the minimum AQB Real Property Appraiser Qualification Criteria and Interpretations as published by the Appraisal Foundation per criteria specified by federal law, 12 U.S.C. 3345(a).~~

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5.06: Experience Criteria

The following specifications apply to the experience requirements for all classifications of licensure and certification.

- (1) Experience may include but is not limited, to fee and staff appraisal, *ad valorem* tax appraisal, review appraisal analysis, real estate counseling, highest and best use analysis, and feasibility analysis/study.
 - (a) *Ad valorem* tax appraisers shall demonstrate that they use techniques to value properties similar to those used by real estate appraisers and that they effectively use the appraisal process.
 - (b) Components of the mass appraisal process that shall be given credit are highest and best use analysis, model specification (developing the model) and model calibration (developing adjustments to the model). Mass appraisals shall be performed in accordance with USPAP Standards Rule 6. Other components of the mass appraisal process by themselves shall not be eligible for experience credit.
 - (c) Review appraisals, signed by the Reviewer, which are in compliance with USPAP Standards Rule 3 may be awarded experience credit up to a maximum of 50% of the total experience requirement. The remaining experience requirement must be met by experience in appraisal report writing in compliance with USPAP Standard Rule 2.
 - (d) Appraisal analysis, real estate counseling, and feasibility analysis/study are defined in the USPAP as market analysis, consulting and feasibility analysis, respectively. Experience credit will be awarded for these functions when they are performed in accordance with USPAP ~~Standards Rules 4 and 5.~~
 - (e) A comparative market analysis (“CMA”) awarded experience credit when the valuation is prepared in conformity with USPAP Standards Rules 1 and 2.
 - (f) All report writing must be performed in compliance with USPAP to qualify for experience credit.
 - (g) Experience credit will only be awarded when the applicant has performed or been directly involved in at least 75% of the appraisal process not including the site inspection for any particular appraisal. The extent of this involvement must be documented in the appraisal report.
 - ~~(h) A minimum of 50% of appraisal experience must be experience in qualifying summary appraisal report writing in compliance with USPAP Standard Rule 2.~~
- (2) An hour of experience is defined as actual verifiable time spent performing tasks in accordance with 264 CMR 5.06 for which reports or file data can be provided.

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- (3) Experience hours may be treated as cumulative in order to achieve the necessary hours of appraisal experience; however, in accordance with 264 CMR 5.06, a minimum number of calendar months are required.
- (4) All experience to be utilized for purposes of obtaining a license must have been obtained after January 31, 1989 and must be USPAP compliant.
- (5) All experience must be earned as an appraisal trainee or appraiser-in-training in compliance with 264 CMR 6.00: Practice of Real Estate Appraisal.

5.07: Experience Audits.

- (1) The Board or its agents may conduct an audit or request additional documentation to verify an applicant's claimed experience. Applicants may only claim verifiable experience for which they can provide reports or file data upon a request from the Board
- (2) If an applicant fails to appear before the Board for a scheduled audit or otherwise respond to the Board without good cause within six months of such request, the Board may deny an application for licensure. If an application is denied for failure to appear before the Board for a scheduled audit or provide requested documentation or otherwise respond to the Board within six months of such request, a new application must be filed and application fee paid by the applicant.

5.08: Primary Education Criteria

The following specifications apply to the Primary Education requirements for all classifications of licensure or certification:

- (1) Applicants shall submit official documentation to the Board indicating completion of each course taken to satisfy primary education criteria. It shall be the applicant's responsibility to ensure that the course provider verifies the number of classroom hours, the length of the education offering, and that the applicant successfully completed an appropriate examination for the course.
- (2) Credit will only be granted once for courses taken repeatedly.
- ~~(3) The Board may accept credit that was obtained by challenge examination without actual classroom attendance prior to July 1, 1990, provided that the course is approved by the Board. The application shall reflect that credit was obtained by challenge examination.~~
- ~~(4) Credit toward the classroom hour requirement may be awarded to instructors of Board approved courses. Credit will be awarded only once for courses taught repeatedly and shall be limited to the number of hours of the course.~~
- (35) Experience may not be substituted for education.
- (46) Credit toward the classroom hour requirement may be awarded for classroom hours previously credited in an application for a different classification of license or certificate.

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- (57) Except for a Trainee Applicant as provided in 264 CMR 5.02, ~~T~~here is no time frame within which Primary Education credit must be obtained.
- (68) Primary Education courses must be approved pursuant to 264 CMR 9.00 prior to the time the applicant completes the course.
- (7) All primary education courses must be approved by the Board and satisfy the Education Criteria set forth in 264 CMR 5.09, and 9.00: *Course Approval Requirements for Providers of Primary and Continuing Education*, and the Core Curriculum adopted by the AQB

5.09: Required Core Curricula

- (1) Appraisal Trainee
 - (a) 30 hours in Basic Appraisal Principles
 - (b) 30 hours in Basic Appraisal Procedures
 - (c) 15 hour National USPAP or National USPAP Equivalency Course Approved by the AQB and the Board
- (2) State Licensed Appraiser
 - (a) 30 hours in Basic Appraisal Principles
 - (b) 30 hours in Basic Appraisal Procedures
 - (c) 15 hour National USPAP or National USPAP Equivalency Course Approved by the AQB and the Board
 - (d) 15 hours in Residential Market Analysis and Highest and best use
 - (e) 15 hours Residential Appraiser Site Valuation and Cost Approach
 - (f) 30 hours Residential Sales Comparison and Income Approaches
 - (g) 15 hours Residential Report Writing and Case Studies
- (3) Certified Residential Appraiser
 - (a) 30 hours in Basic Appraisal Principles
 - (b) 30 hours in Basic Appraisal Procedures

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- (c) 15 hour National USPAP or National USPAP Equivalency Course Approved by the AQB and the Board
 - (d) 15 hours in Residential Market Analysis and Highest and best use
 - (e) 15 hours Residential Appraiser Site Valuation and Cost Approach
 - (f) 30 hours Residential Sales Comparison and Income Approaches
 - (g) 15 hours Residential Report Writing and Case Studies
 - (h) 15 hours Statistics, Modeling and Finance
 - (i) 15 hours Advanced Residential Applications and Case Studies
 - (j) 20 hours Appraisal Subject Matter Electives – may include additional hours in above topics
- (4) Certified General Appraiser
 - (a) 30 hours in Basic Appraisal Principles
 - (b) 30 hours in Basic Appraisal Procedures
 - (c) 15 hour National USPAP or National USPAP Equivalency Course Approved by the AQB and the Board
 - (d) 30 hours in General Appraiser Market Analysis and Highest and Best Use
 - (e) 15 hours Statistics, Modeling and Finance
 - (f) 30 hours in General Appraiser Sales Comparison Approaches
 - (g) 30 hours in General Appraiser Site Valuation and Cost Approach
 - (h) 60 hours in General Appraiser Income Approach
 - (i) 30 hours in General Appraiser Report Writing and Case Studies
 - (j) 30 hours in Other Appraisal Subject Matter Primary Courses – This may include additional hours in above topics